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IN THE REGION | NEW JERSEY

Arts Get Their Cue

By ANTOINETTE MARTIN

Correction Appended

UNDAUNTED by the prevailing real estate malaise, New Brunswick is acting on ambitious plans to rebuild its theater district and add office space, stores and hundreds of residential units downtown.

"We've been laying the groundwork for 30 years," said Christopher J. Paladino, the president of a nonprofit corporation called Devco, founded in the mid-'70s to initiate redevelopment projects in what was then a desolate commercial district flanking the <u>Rutgers University</u> campus.

"This is our moment," chimed in Mayor James Cahill, "to build on what is becoming a really great urban center atmosphere."

The most recent plans emerged last week, when Devco unveiled a project, budgeted at \$275 million, to expand the New Brunswick Cultural Center, established around George Street over the last two decades. The project would add two theaters, as well as rehearsal and classroom space and, above that, a condominium tower and an office building.

The idea is to leverage financing for the cultural space by selling the air rights over it, for development of a 12-story 300,000-square-foot office building and a 20-story 200-unit condo tower. The new complex would rise adjacent to the State Theater on a site between Livingston Avenue and Bayard Avenue, near George Street.

The plans for the cultural expansion constitute the newest part of Devco's plans for the area. Several months ago, it produced a detailed architectural plan for the Gateway project, a 295-foot tower to be built on the block just north of the train station. The building, set next to the historic St. Peter the Apostle Roman Catholic Church and the Old Queen's campus portion of Rutgers, is designed to reflect the scale and architectural history of the neighborhood, according to the developer.

At street level, it will house a bookstore, in addition to shops and restaurants; a 16-story residential tower is to rise over the retail space.

The site has been cleared, and work has begun on preserving some historic facades in the area, Mr. Paladino said. Groundbreaking is expected early next year, with construction to be completed by the end of 2011.

All these new components would be added to a downtown area in which, within the last 18 months, a condo tower has opened and quickly filled up, and a new hotel and conference center has sold half the condos on its top floors, Mr. Paladino said.

He says he sees several reasons to forge ahead despite the real estate climate. Beyond the sales successes in the already completed buildings, there is a state pilot program that gives a 10-year tax credit to companies taking significant space in buildings within a half-mile of transit centers in "urban hubs." New Brunswick is one of nine cities so designated.

Also, he explained, the arts phase of the project is particularly energizing because of its symbolic value: "In a way the arts community kept downtown alive for many years, and now we get to provide payback — in a manner that will benefit everyone."

Three theaters — the State, the George Street Playhouse, and the Crossroads Theater Company, which promotes works by

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African-Americans — have drawn crowds downtown for the past two decades, said Mr. Paladino.

A recent study by a watchdog group called Americans for the Arts indicated just how important that has been in keeping the downtown area viable: it found that arts and cultural institutions in New Brunswick generate \$36 million in spending each year, and sustain 800 jobs.

But during this time, said <u>David Saint</u>, the artistic director of the George Street Playhouse, some arts institutions have had to make do with "woefully" inadequate facilities. Mr. Saint ran through a list of faults at his current theater: poor sight lines, lack of wing and fly space, leaks and vibrating walls from the roof air-conditioner. One assistant uses a desk that is squeezed into a closet.

Both the George Street and Crossroads buildings will be demolished to permit construction of the new complex.

Crossroads, which has struggled with financial problems since 1999, has not yet worked out how it might use and occupy space at the new building, or function during the years of construction, according to its directors. Mr. Saint said that George Street Playhouse would "float," performing in borrowed or public spaces until the new theaters are ready.

Mayor Cahill said that ground would not be broken until financing was in place for all parts of the project.

But according to Mr. Paladino, Devco is "in discussions" with several developers, for both the office and the condominium towers, and hopes to have a deal closed by the end of this year.

He pointed to his tax-exempt company's track record in overseeing \$1.6 billion of public and private real estate investment in New Brunswick over the years.

"We have a 30-year head start on revitalization," he said. "In the last five years, we have opened over 1,000 new housing units, condos and apartments, a mixture of market-rate and 'affordable,' within seven blocks of the cultural center."

Across the street at the hotel-conference center, he added, "condos are selling for more than \$500,000. Two blocks away, units are renting for \$2,800 a month. Devco was involved in one way or another in all these projects."

Despite the residential market's serious slowdown, Mayor Cahill said, "I know New Brunswick is still hot."

The mayor noted that the local unemployment rate was down to about 4 percent from a high of 13 percent a decade ago. He cited a strong roster of substantial employers installed downtown, including the university, Johnson & Johnson, and the cultural center itself.

In addition, if construction proceeds on a planned center for <u>stem cell</u> research, it will bring 3,000 more jobs to the community, he said.

This article has been revised to reflect the following correction:

Correction: March 30, 2008

A caption last Sunday with the "In the Region" article about developments in downtown New Brunswick, N.J., misidentified the project shown in the architectural rendering. It is the Gateway, not the New Brunswick Cultural Center. The rendering also carried an erroneous credit. It is by Ehrenkrantz Eckstut & Kuhn Architects, not the New Brunswick Development Corporation.

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